

FINAL

THIRD TAXING DISTRICT
of the City of Norwalk
Commission Meeting
June 19, 2017

ATTENDANCE: Commissioners: David Brown, Chair; Charles Yost, Debora Goldstein,
Dr. Michael Intrieri, Treasurer

STAFF: Jim Smith, General Manager; Ron Scofield, Assistant General Manager;
Mike Adams, General Line Foreman

CALL TO ORDER

Commissioner Brown called the meeting to order at 7:00 p.m. A quorum was present.

PUBLIC COMMENT

No one from the public was in attendance to comment.

MINUTES OF MEETING

June 5, 2017

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE MINUTES OF JUNE 5, 2017 REGULAR COMMISSION MEETING.**
**** COMMISSIONER BROWN SECONDED.**
**** THE MOTION PASSED UNANIMOUSLY.**

June 13, 2017

**** COMMISSIONER BROWN MOVED TO APPROVE THE MINUTES OF JUNE 13, 2017 SPECIAL COMMISSION MEETING.**
**** COMMISSIONER YOST SECONDED.**
**** THE MOTION PASSED UNANIMOUSLY.**

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**REVIEW AND APPROVAL OF 2017-18 OPERATING BUDGET AND 5-YEAR
CAPITAL BUDGET FORECAST**

Mr. Smith presented the Operating and 5-Year Capital Budgets for FY2017-18. The budgets were distributed to the Commission a couple of weeks prior to the meeting for their review and to ask any questions ahead of time in order to minimize the questions at the meeting and streamline the approval process. He explained that it is a planning tool that is used for the business year-round. Mr. Smith said that he is looking for approval of the budgets pending any final questions the Commission may have in order to implement the budgets for July 1, 2017.

Operating Budget

Commissioner Goldstein said that the one big question remaining with her was the residential and small commercial sales projections. The projections are down over the prior year and would like to know why. Mr. Smith stated that it was a combination of CMEEC's load forecast, actual sales for the current year and an over-projection for 2016-17.

Mr. Smith went on to explain the Rate of Return and how it is determined. Based on the proposed Operating Budget for FY2017-18, the Rate of Return is approximately 4.7% after adding back the contribution to the District and is in line with the CT Statute.

Commissioner Brown went on to say that the budget is to be used as a tool and even though it may be approved, the Purchasing Policy needs to be adhered to and projects still must be presented to the Commission for approval prior to any work being started.

Mr. Smith pointed out one more item to the Commission, account #421-00 Norden Project Income. He informed the Commission that this number has been scaled back due to the fact that there has not been a demand for the Norden Generators. It could possibly turn around and the projected figure could be surpassed. The primary reason for the use of the generators is when other units go down.

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE OPERATING BUDGET AS AMENDED AND CORRECTED AND PRESENTED TO THE COMMISSION WHICH PROJECTS \$10,160,000 IN TOTAL INCOME, \$4,476,000 IN EXPENSES AND \$279,500 NET INCOME FOR THE FISCAL YEAR JULY 1, 2017 TO JUNE 30, 2018.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

5-Year Capital Budget

Mr. Smith continued with the 5-Year Capital Budget and informed the Commission that they are looking to budget a little over \$2MM for the upcoming fiscal year. Two major items they are looking to fund are the Rowan Street Storage Facility (\$500,000) and the East Avenue T3 Replacement (\$600,000).

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The balance of SCADA is projected to be \$150,000 and should cut over around July or August. They are currently in Phase 3 and still have to complete Phase 4. The SCADA project was estimated by Cristino Associates through the bidding process, and Survalent was awarded the project. All costs associated were based on Survalent's proposal. Throughout the process some difficulties arose which were worked out. In the long-run, even though the project took longer than expected, the actual cost for the project should come in around the original projection due to the restructuring of how the work is being handled.

Commissioner Goldstein was concerned about the larger projects getting completed throughout the year with new leadership on the horizon. Discussion took place around the larger projects that are listed in the budget, but not listed under the worst case scenario, i.e., T3 Replacement and Storage Facility and whether or not they can be completed during the upcoming fiscal year. Mr. Smith indicated that TTD could probably forego the two projects, but his recommendation is to move forward with them. He believes that once SCADA is completed in the beginning of FY17-18, it will free up the necessary time for the completion of these projects. Mr. Smith also stated that he did not think the turnover of new personnel would affect the completion of any of the projects.

Commissioner Goldstein brought up to the Commission the issue of 215 East Avenue and wanted to know their thoughts about how close the Commission was to taking action on the property. It was the consensus of the Commission that no final decision would be made during the upcoming fiscal year that would impact the Capital Budget.

****COMMISSIONER GOLDSTEIN MOVED TO AMEND THE WORST CASE PRIORITY LIST TO INCLUDE THE T3 REPLACEMENT (\$600,000) AND THE ROWAN STREET STORAGE FACILITY (\$500,000) AND SO AMENDED MOVED TO ACCEPT THE WORST CASE PRIORITY LIST BUDGET.**

Mr. Adams spoke to the Commission about the East Avenue Air Circuit Breakers and why it is important to replace them and include them in the Capital Budget Worst Case Priority List. Mr. Adams made a point to inform the Commission that this will be a two-year project.

**** COMMISSIONER GOLDSTEIN MOVED TO AGAIN AMEND THE WORST CASE PRIORITY LIST TO INCLUDE EAST AVENUE AIR CIRCUIT BREAKERS (\$155,000).**

Mr. Adams spoke to the Commission about the Altec Bucket Truck's lease expiring in the early part of FY17-18 and his recommendation to purchase the truck for \$95,000 and have it included in the Worst Case Priority List versus re-leasing it.

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**** COMMISSIONER GOLDSTEIN MOVED TO FURTHER AMEND THE WORST CASE PRIORITY LIST TO INCLUDE THE PURCHASE OF THE ALTEC BUCKET TRUCK (\$95,000), BRINGING THE TOTAL OF THE WORST CASE PRIORITY LIST TO \$1,630,000.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The pages for the Capital Projects Priority List will be updated and distributed to the Commission.

**** COMMISSIONER BROWN MOVED TO SUSPEND THE RULES AND ADD AN AGENDA ITEM, DISCUSSION OF DISTRICT ATTORNEY REPLACEMENT.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

DISCUSSION OF DISTRICT ATTORNEY REPLACEMENT

The Commission discussed the replacement Atty. John Bove, who had recently submitted his resignation as District Attorney. Commissioner Yost asked who the attorney is that we had recently used for the Charter questions. Mr. Smith said that would be Atty. Steve Studer, who is quite knowledgeable with municipal law and retains municipal clients. The firm he works for, Berchem, Moses & Devlin, is a large enough firm that should TTD require legal counsel for other matters, they would be able to provide assistance in most cases, thus alleviating looking for other attorneys to assist. Atty. Studer is familiar with the Commission, understands the issues, and is acquainted with Norwalk. Mr. Smith has had a recent discussion with Atty. Studer and he is willing to come on board for TTD.

The Commission discussed how often he would be requested to attend Commission meetings. The consensus was approximately 75% of the meetings. The Commission discussed whether or not they should have a face-to-face meeting with him or make the decision to retain him.

**** COMMISSIONER BROWN MOVED TO SELECT ATTORNEY STEVE STUDER AS THE NEW DISTRICT ATTORNEY AND AUTHORIZE JIM SMITH, GENERAL MANAGER, TO CONTACT ATTY. STUDER AND NEGOTIATE HIS RATE.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

**** COMMISSIONER GOLDSTEIN MOVED TO SUSPEND THE RULES AND ADD AN AGENDA ITEM, EXECUTIVE SESSION – DISCUSSION OF THE TEMPORARY GENERAL MANAGER ROLE WITH RESPECT TO MIKE ADAMS.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

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EXECUTIVE SESSION

- Discussion of the Temporary General Manager Role

**** COMMISSIONER BROWN MOVED TO ENTER INTO EXECUTIVE SESSION FOR DISCUSSION OF THE TEMPORARY GENERAL MANAGER ROLE.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, and Messrs. Smith, Scofield and Adams entered into Executive Session at 8:09 p.m.

**** COMMISSIONER BROWN MOVED TO EXIT EXECUTIVE SESSION AND RETURN TO PUBLIC SESSION.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, and Messrs. Smith, Scofield and Adams returned to public session at 8:45 p.m.

ADJOURNMENT

**** COMMISSIONER YOST MOVED TO ADJOURN.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:46 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District